

August 26, 2013

Mr. Carl Daly
Director, Air Program
EPA Region 8, Mailcode 8P-AR
1595 Wynkoop Street
Denver, CO 80202-1129

Electronically submitted to Docket ID Number EPA-R08-OAR-2012-0026

Re: Approval, Disapproval and Promulgation of Implementation Plans; State of Wyoming; Regional Haze State Implementation Plan; Federal Implementation Plan for Regional Haze; Proposed Rule 78 Fed. Reg. 34737 (June 10, 2013)

Dear Mr. Daly:

The National Rural Electric Cooperative Association (NRECA) is providing these comments on EPA's partial approval, partial disapproval and proposal of a Federal Implementation Plan for Wyoming's Regional Haze program. [78 Fed Reg 34737] NRECA also supports the comments submitted by Basin Electric Cooperative on EPA's broader proposal as well as those from the state of Wyoming and the Congressional Delegations of North Dakota and South Dakota¹.

NRECA is the not-for-profit, national service organization representing nearly 930 not-for-profit, member-owned rural electric cooperative systems, which serve 42 million consumers in 47 states. NRECA estimates that cooperatives own and maintain 2.5 million miles, or 42 percent, of the nation's electric distribution lines covering three quarters of the nation's landmass. In addition to serving 42 million electric consumers, cooperatives serve approximately 18 million businesses, homes, farms and other establishments in 2,500 of the nation's 3,141 counties.

Basin Electric Cooperative's (Basin) Laramie River Units 1, 2, and 3, as well as Basin's customers are directly impacted by EPA's rejection of portions of the Wyoming state implementation plan (SIP) and EPA's decision to propose a Federal Implementation Plan (FIP) requiring selective catalytic reduction (SCR) for NOx controls at Basin's three coal-fired units. Wyoming submitted

¹ August 8, 2013 Congressional Letter to Gina McCarthy regarding EPA's rejection of portions of the Wyoming Regional Haze SIP

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a SIP that established reasonable progress toward meeting the national goal for regional haze as required under the CAA §169A(a)(1). EPA's establishment of a 2064 goal and glidepath requires incremental visibility improvement for successive planning periods. EPA also clearly explains in these requirements that the glidepath and 2064 target date are not binding. This provides considerable latitude to the individual states that are responsible to develop a regional haze SIP that makes reasonable progress in a way that works to achieve the visibility goals over time.

The state of Wyoming developed and submitted a plan that would make substantial progress in reducing haze at the affected class I areas. The state followed the process in the EPA's regional haze guidelines, yet because they came to a different conclusion than EPA, the plan was rejected and replaced with EPA's FIP.

By rejecting the state's reasonable approach, EPA has ignored its own requirements and guidance. EPA's issuance of a FIP not only ignores the flexibility and authority granted the state, it also ignores EPA's guidance for establishing reasonable control requirements.

One of the five factors that must be considered under EPA's guidance is the economic impact of the various control options, which EPA seems to dismiss. The costs will be significantly higher under EPA's FIP for Basin and their customers. Comments from the state of Wyoming, their Federal representatives, as well as those from the Congressional Delegations from both North Dakota and South Dakota highlight that the burdens of added cost for limited visibility improvements imposed by EPA's FIP will have a substantial adverse impact on consumers in all of these states.

Cooperatives, as not for profit member-owned entities, must pass increased costs directly to their customers. The cooperative structure also dictates that there are no outside investors to share or assume the cost burden associated with additional emission controls. NRECA believes the combination of high cost, limited visibility benefits beyond those achieved by the state's proposal, and the direct adverse impact on Basin and their customers should result in a reassessment by EPA. EPA should work with the state to implement the plan developed by the state.

It is clear that EPA's recommended NO_x controls for Laramie Units 1, 2 and 3 would have a significant adverse impact across several states on Basin customers as they foot the bill for these

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upgrades. The cost of adopting SCR is dramatically higher than adopting the State's recommendation of low NOx burners with over-fired air. This state recommended limit provides reasonable visibility benefits, meets the Federal guidelines and would adequately address the 2064 regional haze glidepath goals.

NRECA appreciates this opportunity to comment. NRECA and our members support the requirements to preserve and enhance visibility at our nation's Class I areas. That said, cooperatives also have a responsibility to their consumers who ultimately bear the cost of meeting various regulatory obligations. EPA's proposed FIP exceeds the reasoned and justifiable recommendation submitted by Wyoming in their SIP. EPA should revisit their proposal with these considerations in mind. Please contact me if you have any questions at ted.cromwell@nreca.coop or (703) 907-5706.

T. Ted Cromwell

Sr. Principal, Environmental Policy

National Rural Electric Cooperative Association